



CLAIRE C. McCASKILL
Missouri State Auditor

To the County Commission
and
Officeholders of Mississippi County, Missouri

The State Auditor's Office through the State Office of Administration, Division of Purchasing, contracted the audit services of Mississippi County, Missouri, for the two years ended December 31, 2001. A copy of this audit, which was performed by Kraus and Head, L.L.P., Business Consultants and Certified Public Accountants, is attached.

A handwritten signature in black ink, appearing to read "Claire C. McCaskill".

Claire C. McCaskill
State Auditor

Report No. 2002-75
August 30, 2002

MISSISSIPPI COUNTY, MISSOURI
TWO YEARS ENDED DECEMBER 31, 2001

MISSISSIPPI COUNTY, MISSOURI

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS

To the County Commission
and
Officeholders of Mississippi County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of **Mississippi County, Missouri**, as of and for the years ended December 31, 2001 and 2000, as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on the special-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards generally accepted in the United States of America; standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of The United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of **Mississippi County, Missouri**, and comparisons of such information with the corresponding budgeted information for various funds of the county and are not intended to be a complete presentation of the financial position and results of operations of those funds or of **Mississippi County, Missouri**.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of **Mississippi County, Missouri**, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31, 2001 and 2000, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we also have issued our report dated June 5, 2002 on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinions, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole.

Krauss and Head, L.L.P.
Business Consultants and
Certified Public Accountants

Original Signed by Auditor

St. Louis, MO 63011
June 5, 2002

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LICENSED IN MISSOURI AND ILLINOIS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission
and
Officeholders of Mississippi County, Missouri

We have audited the special-purpose financial statements of various funds of ***Mississippi County, Missouri***, as of and for the years ended December 31, 2001 and 2000, and have issued our report there on dated June 5, 2002. We conducted our audit in accordance with generally accepted auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of ***Mississippi County, Missouri***, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as finding number 01-1. We also noted certain immaterial instances of noncompliance which are described in the accompanying Management Advisory Report.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of ***Mississippi County, Missouri***, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material.

weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amount that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting which are described in the accompanying Management Advisory Report.

This report is intended for the information of the management of ***Mississippi County, Missouri***; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

Krauss and Head, L.L.P.
Business Consultants and
Certified Public Accountants

Original Signed by Auditor

St. Louis, MO 63011
June 5, 2002

Financial Statements

Exhibit A-1

MISSISSIPPI COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
YEAR ENDED DECEMBER 31, 2001

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 677,290	1,860,406	1,974,931	562,765
Special Road and Bridge	199,640	861,392	902,233	158,799
Assessment	935	147,384	148,312	7
Law Enforcement Training	10,818	5,965	11,327	5,456
Prosecuting Attorney Training	1,720	964	1,016	1,668
Health Center	153,992	774,486	750,627	177,851
Senate Bill 40 Board	816,147	162,808	53,323	925,632
Johnson Grass	19,918	25,957	34,225	11,650
Law Enforcement Sales Tax	26,485	2,295,839	2,297,802	24,522
Capital Improvement Sales Tax	146,759	79,837	226,596	0
Recorder's User Fee	6,550	5,095	3,545	8,100
911	118,520	89,042	84,715	122,847
Prosecuting Attorney Bad Checks	2,067	3,884	3,779	2,172
Drainage District	100,577	88,696	91,360	97,913
Crime Reduction	11,608	19,802	19,545	11,865
Federal Confiscated Drug Monies	9,432	53	9,485	0
Special Prosecutor's Grant	2,738	43,699	46,437	0
Cultural Productivity Grant	0	133,385	133,385	0
Victims of Domestic Violence	301	1,912	1,919	294
Senior Citizens Sales Tax	0	214,232	214,232	0
Circuit Clerk Interest	1,018	837	1,174	681
Juvenile Justice Title V Grant	0	99,620	99,620	0
Election Services	1,156	2,124	1,331	1,949
Law Enforcement Block Grant	0	14,862	14,862	0
Recorder Technology	0	1,176	0	1,176
Drug Court Grant	0	67,935	58,880	9,055
Law Library	9,704	5,312	4,521	10,495
Juvenile Assessment	6,640	766	2,256	5,150
Total	\$ 2,324,015	7,007,470	7,191,438	2,140,047

The accompanying Notes to the Financial Statements are an integral part of this statement

Exhibit A-2

MISSISSIPPI COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
YEAR ENDED DECEMBER 31, 2000

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 502,922	1,915,483	1,741,115	677,290
Special Road and Bridge	170,106	902,487	872,953	199,640
Assessment	305	134,879	134,249	935
Law Enforcement Training	12,049	6,544	7,775	10,818
Prosecuting Attorney Training	2,253	1,126	1,659	1,720
Health Center	151,319	664,367	661,694	153,992
Senate Bill 40 Board	703,974	156,776	44,603	816,147
Johnson Grass	74,943	61,374	116,399	19,918
Law Enforcement Sales Tax	181	1,740,245	1,713,941	26,485
Capital Improvement Sales Tax	102,594	444,165	400,000	146,759
Recorder's User Fee	6,000	4,853	4,303	6,550
911	77,378	80,020	38,878	118,520
Building	356,232	213,002	569,234	0
Prosecuting Attorney Bad Checks	3,364	3,655	4,952	2,067
Drainage District	90,253	85,498	75,174	100,577
Crime Reduction	1,780	18,988	9,160	11,608
Federal Confiscated Drug Monies	18,854	874	10,296	9,432
Special Prosecutor's Grant	(724)	64,317	60,855	2,738
Cultural Productivity Grant	0	202,280	202,280	0
Victims of Domestic Violence	114	1,464	1,277	301
Senior Citizens Sales Tax	0	219,750	219,750	0
Circuit Clerk Interest	1,191	2,779	2,952	1,018
Election Services	0	2,156	1,000	1,156
Law Library	9,185	5,610	5,091	9,704
Juvenile Assessment Fund	5,742	898	0	6,640
Total	\$ 2,290,015	6,933,590	6,899,590	2,324,015

The accompanying Notes to the Financial Statements are an integral part of this statement

Exhibit B

MISSISSIPPI COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>TOTALS - VARIOUS FUNDS</u>						
RECEIPTS	\$ 7,159,732	7,007,470	(152,262)	6,368,470	6,933,590	565,120
DISBURSEMENTS	7,749,319	7,191,438	557,881	7,071,536	6,899,590	171,946
RECEIPTS OVER (UNDER) DISBURSEMENTS	(589,587)	(183,968)	405,619	(703,066)	34,000	737,066
CASH, JANUARY 1	2,324,015	2,324,015	0	2,275,088	2,290,015	14,927
CASH, DECEMBER 31	1,734,428	2,140,047	405,619	1,572,022	2,324,015	751,993
<u>GENERAL REVENUE FUND</u>						
RECEIPTS						
Property taxes	280,000	327,328	47,328	250,000	316,602	66,602
Sales taxes	820,000	856,523	36,523	800,000	878,329	78,329
Intergovernmental	77,500	62,468	(15,032)	429,500	457,256	27,756
Charges for services	166,500	173,152	6,652	167,600	171,337	3,737
Interest	25,000	38,419	13,419	25,000	44,042	19,042
Other	489,095	402,516	(86,579)	39,295	47,917	8,622
Total Receipts	1,858,095	1,860,406	2,311	1,711,395	1,915,483	204,088
DISBURSEMENTS						
County Commission	87,890	91,178	(3,288)	83,481	82,648	833
County Clerk	80,447	80,316	131	70,162	69,329	833
Elections	25,000	5,199	19,801	40,000	33,162	6,838
Buildings and grounds	123,900	116,883	7,017	115,515	112,006	3,509
Employee fringe benefits	95,300	96,269	(969)	98,000	101,488	(3,488)
County Treasurer	28,732	28,532	200	27,344	27,198	146
County Collector	81,053	78,092	2,961	76,792	72,869	3,923
Ex Officio Recorder of Deeds	21,850	19,848	2,002	15,560	8,642	6,918
Circuit Clerk	19,100	14,739	4,361	21,400	17,518	3,882
Associate Circuit Court	18,954	2,621	16,333	0	0	0
Associate Circuit (Probate)	1,000	619	381	1,000	588	412
Court administration	26,500	15,597	10,903	20,500	12,415	8,085
Public Administrator	21,250	26,736	(5,486)	11,760	12,879	(1,119)
Prosecuting Attorney	111,331	110,382	949	103,868	97,552	6,316
Juvenile Officer	20,000	16,474	3,526	40,000	17,109	22,891
County Coroner	16,156	14,843	1,313	14,247	11,872	2,375
Task Force	450,000	343,525	106,475	350,000	363,991	(13,991)
Public health and welfare services	21,111	21,623	(512)	23,611	15,472	8,139
Other	151,110	89,593	61,517	167,106	130,350	36,756
Debt service	300,000	533,052	(233,052)	0	0	0
Transfers out	390,000	268,810	121,190	373,800	554,027	(180,227)
Emergency Fund	56,000	0	56,000	52,000	0	52,000
Total Disbursements	2,146,684	1,974,931	171,753	1,706,146	1,741,115	(34,969)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(288,589)	(114,525)	174,064	5,249	174,368	169,119
CASH, JANUARY 1	677,290	677,290	0	502,922	502,922	0
CASH, DECEMBER 31	388,701	562,765	174,064	508,171	677,290	169,119

The accompanying Notes to the Financial Statements are an integral part of this statement

Exhibit B

MISSISSIPPI COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>SPECIAL ROAD AND BRIDGE FUND</u>						
RECEIPTS						
Property taxes	320,000	375,909	55,909	340,000	377,930	37,930
Sales taxes	0	0	0	500	2	(498)
Intergovernmental	431,340	412,514	(18,826)	413,193	415,515	2,322
Charges for services	60,000	53,930	(6,070)	50,000	89,578	39,578
Interest	10,000	16,527	6,527	10,000	18,405	8,405
Other	500	2,512	2,012	0	1,057	1,057
Total Receipts	821,840	861,392	39,552	813,693	902,487	88,794
DISBURSEMENTS						
Salaries	350,000	345,686	4,314	325,000	317,377	7,623
Employee fringe benefits	100,500	104,994	(4,494)	90,200	97,468	(7,268)
Supplies	94,750	89,220	5,530	85,100	96,618	(11,518)
Insurance	25,000	14,695	10,305	15,000	22,727	(7,727)
Road and bridge materials	182,000	153,244	28,756	139,000	117,353	21,647
Equipment repairs	69,000	69,309	(309)	79,500	88,542	(9,042)
Equipment purchases	150,000	71,636	78,364	150,000	101,700	48,300
Construction, repair, and maintenance	0	0	0	15,590	21,553	(5,963)
Other	9,500	53,449	(43,949)	7,300	9,615	(2,315)
Total Disbursements	980,750	902,233	78,517	906,690	872,953	33,737
RECEIPTS OVER (UNDER) DISBURSEMENTS	(158,910)	(40,841)	118,069	(92,997)	29,534	122,531
CASH, JANUARY 1	199,640	199,640	0	170,106	170,106	0
CASH, DECEMBER 31	40,730	158,799	118,069	77,109	199,640	122,531
<u>ASSESSMENT FUND</u>						
RECEIPTS						
Intergovernmental	110,600	121,835	11,235	99,831	103,937	4,106
Charges for services	250	0	(250)	0	131	131
Interest	500	728	228	250	811	561
Other	0	11	11	250	0	(250)
Transfers in	40,000	24,810	(15,190)	33,800	30,000	(3,800)
Total Receipts	151,350	147,384	(3,966)	134,131	134,879	748
DISBURSEMENTS						
Assessor	151,484	148,312	3,172	134,266	134,249	17
Total Disbursements	151,484	148,312	3,172	134,266	134,249	17
RECEIPTS OVER (UNDER) DISBURSEMENTS	(134)	(928)	(794)	(135)	630	765
CASH, JANUARY 1	935	935	0	305	305	0
CASH, DECEMBER 31	801	7	(794)	170	935	765

The accompanying Notes to the Financial Statements are an integral part of this statement

Exhibit B

MISSISSIPPI COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>LAW ENFORCEMENT TRAINING FUND</u>						
RECEIPTS						
Intergovernmental	2,000	1,886	(114)	2,500	1,963	(537)
Charges for services	4,000	3,653	(347)	5,000	4,036	(964)
Interest	500	426	(74)	150	545	395
Total Receipts	6,500	5,965	(535)	7,650	6,544	(1,106)
DISBURSEMENTS						
Sheriff	15,000	11,327	3,673	12,500	7,775	4,725
Total Disbursements	15,000	11,327	3,673	12,500	7,775	4,725
RECEIPTS OVER (UNDER) DISBURSEMENTS	(8,500)	(5,362)	3,138	(4,850)	(1,231)	3,619
CASH, JANUARY 1	10,818	10,818	0	12,049	12,049	0
CASH, DECEMBER 31	2,318	5,456	3,138	7,199	10,818	3,619
<u>PROSECUTING ATTORNEY TRAINING FUND</u>						
RECEIPTS						
Charges for services	1,250	903	(347)	1,250	1,007	(243)
Interest	50	61	11	50	119	69
Total Receipts	1,300	964	(336)	1,300	1,126	(174)
DISBURSEMENTS						
Prosecuting Attorney	2,800	1,016	1,784	3,500	1,659	1,841
Total Disbursements	2,800	1,016	1,784	3,500	1,659	1,841
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,500)	(52)	1,448	(2,200)	(533)	1,667
CASH, JANUARY 1	1,720	1,720	0	2,253	2,253	0
CASH, DECEMBER 31	220	1,668	1,448	53	1,720	1,667
<u>HEALTH CENTER FUND</u>						
RECEIPTS						
Property taxes	117,400	115,064	(2,336)	65,000	74,777	9,777
Intergovernmental	489,390	503,947	14,557	388,300	437,922	49,622
Charges for services	26,000	27,927	1,927	26,000	26,169	169
Interest	9,000	8,872	(128)	10,000	8,107	(1,893)
Other	114,241	118,676	4,435	101,500	117,392	15,892
Total Receipts	756,031	774,486	18,455	590,800	661,367	70,567
DISBURSEMENTS						
Salaries	463,471	436,837	26,634	418,600	417,470	1,130
Office expenditures	24,920	25,217	(297)	29,550	22,061	7,489
Equipment	9,000	15,159	(6,159)	11,500	4,935	6,565
Mileage and training	5,500	6,966	(1,466)	8,500	5,658	2,842
Clinic Supplies	36,300	46,002	(9,702)	37,500	37,293	207
East Prairie clinic	13,750	14,019	(269)	11,090	13,255	(2,165)
Election	0	0	0	4,235	4,235	0
Other	203,090	206,427	(3,337)	167,500	156,787	10,713
Total Disbursements	756,031	750,627	5,404	688,475	661,694	26,781
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	23,859	23,859	(97,675)	2,673	100,348
CASH, JANUARY 1	153,992	153,992	0	151,319	151,319	0
CASH, DECEMBER 31	153,992	177,851	23,859	53,644	153,992	100,348

The accompanying Notes to the Financial Statements are an integral part of this statement

Exhibit B

MISSISSIPPI COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>SENATE BILL 40 BOARD FUND</u>						
RECEIPTS						
Property taxes	112,880	117,019	4,139	109,052	117,852	8,800
Interest	43,000	45,789	2,789	34,500	38,924	4,424
Total Receipts	155,880	162,808	6,928	143,552	156,776	13,224
DISBURSEMENTS						
Transportation	21,000	22,004	(1,004)	21,000	18,942	2,058
Bus fund	10,000	10,000	0	10,000	10,000	0
Treasurer bond	1,875	1,875	0	0	0	0
Food	16,000	19,292	(3,292)	16,000	15,242	758
Other	1,000	152	848	1,000	419	581
Total Disbursements	49,875	53,323	(3,448)	48,000	44,603	3,397
RECEIPTS OVER (UNDER) DISBURSEMENTS	106,005	109,485	3,480	95,552	112,173	16,621
CASH, JANUARY 1	816,147	816,147	0	703,974	703,974	0
CASH, DECEMBER 31	922,152	925,632	3,480	799,526	816,147	16,621
<u>JOHNSON GRASS FUND</u>						
RECEIPTS						
Property taxes	20,000	24,616	4,616	42,000	55,121	13,121
Intergovernmental	0	49	49	0	66	66
Interest	1,500	1,292	(208)	2,500	6,187	3,687
Total Receipts	21,500	25,957	4,457	44,500	61,374	16,874
DISBURSEMENTS						
Salaries	1,100	1,043	57	1,100	1,003	97
Supplies	10,000	12,596	(2,596)	5,000	9,596	(4,596)
Equipment purchases	0	1,770	(1,770)	60,000	75,500	(15,500)
Contract work	25,000	18,095	6,905	50,000	30,300	19,700
Other	500	721	(221)	500	0	500
Total Disbursements	36,600	34,225	2,375	116,600	116,399	201
RECEIPTS OVER (UNDER) DISBURSEMENTS	(15,100)	(8,268)	6,832	(72,100)	(55,025)	17,075
CASH, JANUARY 1	19,918	19,918	0	74,943	74,943	0
CASH, DECEMBER 31	4,818	11,650	6,832	2,843	19,918	17,075
<u>LAW ENFORCEMENT SALES TAX FUND</u>						
RECEIPTS						
Sales taxes	430,000	428,445	(1,555)	410,000	439,750	29,750
Intergovernmental	268,764	286,040	17,276	132,106	200,858	68,752
Charges for services	1,268,844	1,324,982	56,138	803,230	767,080	(36,150)
Interest	1,500	1,334	(166)	1,000	408	(592)
Other	17,000	11,038	(5,962)	5,000	17,149	12,149
Transfer in	300,000	244,000	(56,000)	275,000	315,000	40,000
Total Receipts	2,286,108	2,295,839	9,731	1,626,336	1,740,245	113,909
DISBURSEMENTS						
Sheriff	420,322	391,322	29,000	320,696	309,201	11,495
Jail	1,411,811	1,511,345	(99,534)	868,340	1,015,918	(147,578)
Juvenile detention	33,400	29,888	3,512	37,608	29,473	8,135
Lease payments	385,000	363,047	21,953	385,000	359,349	25,651
Other	5,000	2,200	2,800	2,500	0	2,500
Total Disbursements	2,255,533	2,297,802	(42,269)	1,614,144	1,713,941	(99,797)
RECEIPTS OVER (UNDER) DISBURSEMENTS	30,575	(1,963)	(32,538)	12,192	26,304	14,112
CASH, JANUARY 1	26,485	26,485	0	181	181	0
CASH, DECEMBER 31	57,060	24,522	(32,538)	12,373	26,485	14,112

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Exhibit B

MISSISSIPPI COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>CAPITAL IMPROVEMENT SALES TAX FUND</u>						
RECEIPTS						
Sales taxes	95,000	78,200	(16,800)	400,000	439,880	39,880
Interest	250	1,637	1,387	2,500	4,285	1,785
Total Receipts	95,250	79,837	(15,413)	402,500	444,165	41,665
DISBURSEMENTS						
Lease principal and interest payment	242,009	226,596	15,413	400,000	400,000	0
Total Disbursements	242,009	226,596	15,413	400,000	400,000	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	(146,759)	(146,759)	0	2,500	44,165	41,665
CASH, JANUARY 1	146,759	146,759	0	102,594	102,594	0
CASH, DECEMBER 31	0	0	0	105,094	146,759	41,665
<u>RECORDER'S USER FEE FUND</u>						
RECEIPTS						
Charges for services	4,500	4,802	302	4,800	4,442	(358)
Interest	400	293	(107)	200	411	211
Total Receipts	4,900	5,095	195	5,000	4,853	(147)
DISBURSEMENTS						
Ex Officio Recorder of Deeds	8,000	3,545	4,455	8,000	4,303	3,697
Total Disbursements	8,000	3,545	4,455	8,000	4,303	3,697
RECEIPTS OVER (UNDER) DISBURSEMENTS	(3,100)	1,550	4,650	(3,000)	550	3,550
CASH, JANUARY 1	6,550	6,550	0	6,000	6,000	0
CASH, DECEMBER 31	3,450	8,100	4,650	3,000	6,550	3,550
<u>911 FUND</u>						
RECEIPTS						
Charges for services	72,000	82,999	10,999	65,000	74,808	9,808
Interest	4,500	6,043	1,543	3,500	5,212	1,712
Total Receipts	76,500	89,042	12,542	68,500	80,020	11,520
DISBURSEMENTS						
Rural addressing	5,000	0	5,000	1,000	3,498	(2,498)
Southwestern Bell Service	35,000	28,253	6,747	25,000	30,598	(5,598)
Equipment purchase	40,000	41,372	(1,372)	20,000	3,270	16,730
Equipment repair	10,000	15,090	(5,090)	10,000	1,512	8,488
Total Disbursements	90,000	84,715	5,285	56,000	38,878	17,122
RECEIPTS OVER (UNDER) DISBURSEMENTS	(13,500)	4,327	17,827	12,500	41,142	28,642
CASH, JANUARY 1	118,520	118,520	0	77,378	77,378	0
CASH, DECEMBER 31	105,020	122,847	17,827	89,878	118,520	28,642

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Exhibit B

MISSISSIPPI COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>BUILDING FUND</u>						
RECEIPTS						
Interest	0	0	0	2,500	3,975	1,475
Transfers in	0	0	0	285,000	209,027	(75,973)
Total Receipts	0	0	0	287,500	213,002	(74,498)
DISBURSEMENTS						
Building	0	0	0	350,000	293,285	56,715
Equipment	0	0	0	220,000	275,949	(55,949)
Total Disbursements	0	0	0	570,000	569,234	766
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0	0	(282,500)	(356,232)	(73,732)
CASH, JANUARY 1				356,232	356,232	0
CASH, DECEMBER 31	0	0	0	73,732	0	(73,732)
<u>PROSECUTING ATTORNEY BAD CHECK FUND</u>						
RECEIPTS						
Charges for services	3,500	3,790	290	2,500	3,530	1,030
Interest	100	94	(6)	50	125	75
Total Receipts	3,600	3,884	284	2,550	3,655	1,105
DISBURSEMENTS						
Salaries	5,000	3,779	1,221	0	8	(8)
Other	0	0	0	5,000	4,944	56
Total Disbursements	5,000	3,779	1,221	5,000	4,952	48
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,400)	105	1,505	(2,450)	(1,297)	1,153
CASH, JANUARY 1	2,067	2,067	0	3,364	3,364	0
CASH, DECEMBER 31	667	2,172	1,505	914	2,067	1,153
<u>DRAINAGE DISTRICT FUND</u>						
RECEIPTS						
Property taxes	61,700	82,864	21,164	61,700	78,812	17,112
Interest	3,500	5,832	2,332	2,500	6,686	4,186
Total Receipts	65,200	88,696	23,496	64,200	85,498	21,298
DISBURSEMENTS						
Ditch maintenance	133,850	91,360	42,490	128,531	75,174	53,357
Total Disbursements	133,850	91,360	42,490	128,531	75,174	53,357
RECEIPTS OVER (UNDER) DISBURSEMENTS	(68,650)	(2,664)	65,986	(64,331)	10,324	74,655
CASH, JANUARY 1	100,577	100,577	0	90,253	90,253	0
CASH, DECEMBER 31	31,927	97,913	65,986	25,922	100,577	74,655

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Exhibit B

MISSISSIPPI COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>CRIME REDUCTION FUND</u>						
RECEIPTS						
Intergovernmental	0	0	0	8,900	0	(8,900)
Charges for services	15,000	19,305	4,305	8,000	18,517	10,517
Interest	0	497	497	100	471	371
Total Receipts	15,000	19,802	4,802	17,000	18,988	1,988
DISBURSEMENTS						
Drug investigations	5,000	3,000	2,000	10,000	2,000	8,000
Law enforcement	10,000	16,545	(6,545)	7,000	7,160	(160)
Total Disbursements	15,000	19,545	(4,545)	17,000	9,160	7,840
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	257	257	0	9,828	9,828
CASH, JANUARY 1	11,608	11,608	0	1,780	1,780	0
CASH, DECEMBER 31	11,608	11,865	257	1,780	11,608	9,828
<u>FEDERAL CONFISCATED DRUG MONEY FUND</u>						
RECEIPTS						
Intergovernmental	0	0	0	2,000	0	(2,000)
Interest	100	53	(47)	250	874	624
Total Receipts	100	53	(47)	2,250	874	(1,376)
DISBURSEMENTS						
Law enforcement	9,532	9,485	47	12,800	10,296	2,504
Total Disbursements	9,532	9,485	47	12,800	10,296	2,504
RECEIPTS OVER (UNDER) DISBURSEMENTS	(9,432)	(9,432)	0	(10,550)	(9,422)	1,128
CASH, JANUARY 1	9,432	9,432	0	18,854	18,854	0
CASH, DECEMBER 31	0	0	0	8,304	9,432	1,128
<u>SPECIAL PROSECUTOR'S FUND</u>						
RECEIPTS						
Intergovernmental	77,493	43,699	(33,794)	49,712	64,317	14,605
Total Receipts	77,493	43,699	(33,794)	49,712	64,317	14,605
DISBURSEMENTS						
Salary	65,193	35,132	30,061	61,360	60,621	739
Office expenditures	15,000	11,305	3,695	0	234	(234)
Total Disbursements	80,193	46,437	33,756	61,360	60,855	505
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,700)	(2,738)	(38)	(11,648)	3,462	15,110
CASH, JANUARY 1	2,738	2,738	0	(724)	(724)	0
CASH, DECEMBER 31	38	0	(38)	(12,372)	2,738	15,110

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Exhibit B

MISSISSIPPI COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>CULTURAL PRODUCTIVITY GRANT FUND</u>						
RECEIPTS						
Intergovernmental	230,000	133,385	(96,615)	163,651	202,280	38,629
Total Receipts	230,000	133,385	(96,615)	163,651	202,280	38,629
DISBURSEMENTS						
Contract services	230,000	133,385	96,615	252,651	202,280	50,371
Total Disbursements	230,000	133,385	96,615	252,651	202,280	50,371
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0	0	(89,000)	0	89,000
CASH, JANUARY 1	0	0	0	0	0	0
CASH, DECEMBER 31	0	0	0	(89,000)	0	89,000
<u>VICTIMS OF DOMESTIC VIOLENCE FUND</u>						
RECEIPTS						
Charges for services	1,900	1,912	12	1,750	1,464	(286)
Total Receipts	1,900	1,912	12	1,750	1,464	(286)
DISBURSEMENTS						
Contract services	2,200	1,919	281	1,750	1,277	473
Total Disbursements	2,200	1,919	281	1,750	1,277	473
RECEIPTS OVER (UNDER) DISBURSEMENTS	(300)	(7)	293	0	187	187
CASH, JANUARY 1	301	301	0	114	114	0
CASH, DECEMBER 31	1	294	293	114	301	187
<u>SENIOR CITIZENS SALES TAX FUND</u>						
RECEIPTS						
Sales taxes	220,000	214,232	(5,768)	225,000	219,750	(5,250)
Total Receipts	220,000	214,232	(5,768)	225,000	219,750	(5,250)
DISBURSEMENTS						
Contract services	220,000	214,232	5,768	225,000	219,750	5,250
Total Disbursements	220,000	214,232	5,768	225,000	219,750	5,250
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0	0	0	0	0
CASH, JANUARY 1	0	0	0	0	0	0
CASH, DECEMBER 31	0	0	0	0	0	0

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Exhibit B

MISSISSIPPI COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>CIRCUIT CLERK INTEREST FUND</u>						
RECEIPTS						
Interest	1,500	837	(663)	1,500	2,779	1,279
Total Receipts	1,500	837	(663)	1,500	2,779	1,279
DISBURSEMENTS						
Office expenditures	2,518	1,174	1,344	1,500	2,952	(1,452)
Total Disbursements	2,518	1,174	1,344	1,500	2,952	(1,452)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,018)	(337)	681	0	(173)	(173)
CASH, JANUARY 1	1,018	1,018	0	1,191	1,191	0
CASH, DECEMBER 31	0	681	681	1,191	1,018	(173)
<u>JUVENILE JUSTICE TITLE V GRANT FUND</u>						
RECEIPTS						
Intergovernmental	99,623	99,620	(3)	2,000	0	(2,000)
Total Receipts	99,623	99,620	(3)	2,000	0	(2,000)
DISBURSEMENTS						
Contract services	99,623	99,620	3	99,623	0	99,623
Total Disbursements	99,623	99,620	3	99,623	0	99,623
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0	0	(97,623)	0	97,623
CASH, JANUARY 1	0	0	0	0	0	0
CASH, DECEMBER 31	0	0	0	(97,623)	0	97,623
<u>ELECTION SERVICES FUND</u>						
RECEIPTS						
Intergovernmental	500	2,037	1,537	2,000	2,132	132
Interest	25	87	62	0	24	24
Total Receipts	525	2,124	1,599	2,000	2,156	156
DISBURSEMENTS						
Contract services	1,600	1,331	269	2,000	1,000	1,000
Total Disbursements	1,600	1,331	269	2,000	1,000	1,000
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,075)	793	1,868	0	1,156	1,156
CASH, JANUARY 1	1,156	1,156	0	0	0	0
CASH, DECEMBER 31	81	1,949	1,868	0	1,156	1,156

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Exhibit B

MISSISSIPPI COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>LAW ENFORCEMENT BLOCK GRANT FUND</u>						
RECEIPTS						
Intergovernmental	20,000	13,239	(6,761)	0	0	0
Interest	0	152	152	0	0	0
Transfers in	0	1,471	1,471	0	0	0
Total Receipts	20,000	14,862	(5,138)	0	0	0
DISBURSEMENTS						
Equipment purchases	20,000	14,862	5,138	0	0	0
Total Disbursements	20,000	14,862	5,138	0	0	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0	0	0	0	0
CASH, JANUARY 1	0	0	0	0	0	0
CASH, DECEMBER 31	0	0	0	0	0	0
<u>RECORDER TECHNOLOGY FUND</u>						
RECEIPTS						
Charges for services	0	1,171	1,171	0	0	0
Interest	0	5	5	0	0	0
Total Receipts	0	1,176	1,176	0	0	0
DISBURSEMENTS						
Total Disbursements	0	0	0	0	0	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	1,176	1,176	0	0	0
CASH, JANUARY 1	0	0	0	0	0	0
CASH, DECEMBER 31	0	1,176	1,176	0	0	0
<u>DRUG COURT GRANT FUND</u>						
RECEIPTS						
Intergovernmental	183,037	67,935	(115,102)	0	0	0
Total Receipts	183,037	67,935	(115,102)	0	0	0
DISBURSEMENTS						
Other	183,037	58,880	124,157	0	0	0
Total Disbursements	183,037	58,880	124,157	0	0	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	9,055	9,055	0	0	0
CASH, JANUARY 1	0	0	0	0	0	0
CASH, DECEMBER 31	0	9,055	9,055	0	0	0

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Exhibit B

MISSISSIPPI COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>LAW LIBRARY FUND</u>						
RECEIPTS						
Other	5,600	5,312	(288)	0	5,610	5,610
Total Receipts	5,600	5,312	(288)	0	5,610	5,610
DISBURSEMENTS						
Miscellaneous	10,000	4,521	5,479	0	5,091	(5,091)
Total Disbursements	10,000	4,521	5,479	0	5,091	(5,091)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(4,400)	791	5,191	0	519	519
CASH, JANUARY 1	9,704	9,704	0		9,185	9,185
CASH, DECEMBER 31	5,304	10,495	5,191	0	9,704	9,704
<u>JUVENILE ASSESSMENT FUND</u>						
RECEIPTS						
Interest	135	96	(39)	0	133	133
Other	765	670	(95)	0	765	765
Total Receipts	900	766	(134)	0	898	898
DISBURSEMENTS						
Miscellaneous	2,000	2,256	(256)	0	0	0
Total Disbursements	2,000	2,256	(256)	0	0	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,100)	(1,490)	(390)	0	898	898
CASH, JANUARY 1	6,640	6,640	0		5,742	5,742
CASH, DECEMBER 31	5,540	5,150	(390)	0	6,640	6,640

The accompanying Notes to the Financial Statements are an integral part of this statement

Notes to the Financial Statements

MISSISSIPPI COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash of various funds of Mississippi County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, the Health Center Board, the Johnson Grass Board, the Senate Bill 40 Board, the Senior Citizen's Board, or the 911 Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from generally accepted accounting principles, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budget for various county funds in accordance with Sections 50.525 through 50.745, RSMo 2000 and RSMo Cumulative Supp. 2000, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31.</u>
Recorder Technology Fund	2001
Law Library Fund	2000
Juvenile Assessment Fund	2000

Warrants issued were in excess of total budgeted amounts for the following funds:

<u>Fund</u>	<u>Years Ended December 31.</u>
General Fund	2000
Senate Bill 40 Fund	2001
Law Enforcement Sales Tax Fund	2001
Crime Reduction Fund	2001
Circuit Clerk Interest Fund	2000
Law Library Fund	2000
Juvenile Assessment Fund	2001

Section 50.740, RSMo 2000, prohibits expenditures in excess of the approved budgets.

Deficit budget balances are presented for the Special Prosecutor's Fund, Cultural Productivity Grant Fund and Juvenile Justice Title V Grant Fund for the years ended December 31, 2000.

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 2000, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statements did not include the following funds:

<u>Fund</u>	<u>Years Ended December 31.</u>
Health Center Fund	2001 and 2000
Senate Bill 40 Fund	2000
Building Fund	2000
Juvenile Assessment Fund	2001 and 2000

2. Cash

Section 110.270, RSMo 2000, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo Cumulative Supp. 2000, requires political subdivisions with authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through

either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has adopted such a policy.

In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The county's deposits at December 31, 2000 and 2001, were entirely covered by federal depositary insurance or by collateral securities held by the county's custodial bank in the county's name.

The Health Center Board, the Senate Bill 40 Board, the Senior Citizen's Board, and the 911 Board's deposits at December 31, 2000 and 2001 were entirely covered by federal depositary insurance or by collateral securities held by the board's custodial bank in the board's name.

3. Sales Taxes

In April 1996, Mississippi County voters approved a one-fourth of one percent sales tax levy for the purpose of funding senior citizens' services within the county. The county imposed this sales tax under Section 67.547, RSMo2000; however, the county also has another one-half of one percent sales tax levy for the General Revenue Fund under this law. With this additional senior citizens' sales tax, the county is levying three-fourths of one percent which is apparently above the statutory maximum allowed by Section 67.547. The ultimate outcome of this situation cannot be determined.

E. New Reporting Standard

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." This Statement establishes new financial reporting requirements for state and local governments throughout the United States. When implemented, it will require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in all prior years will be affected. The County is required to implement this standard for the fiscal year ending December 31, 2002. The County has not yet determined the full impact that adoption of GASB Statement 34 will have on the financial statements.

Supplementary Schedule

Schedule

MISSISSIPPI COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

			<u>Federal Expenditures</u> <u>Year Ended December 31,</u>	
Federal CFDA Number	Federal Grantor/pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	<u>2001</u>	<u>2000</u>
U.S. OFFICE OF NATIONAL DRUG CONTROL POLICY				
Passed through state Department of Public Safety				
07.unknown	HIDTA - Task Forces	99-HIDTA-	118,171	129,198
07.unknown	HIDTA - SUASA	99-HIDTA-	<u>33,230</u>	<u>48,993</u>
	Program Total		151,401	178,191
U.S. DEPARTMENT OF AGRICULTURE				
Department of Health –				
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ER0045-9167	77,655	N/A
U.S. DEPARTMENT OF JUSTICE				
Direct programs:				
16.710	Public Safety Partnership and Community Policing Grants	1999CKWX0067	15,252	34,357
Passed through:				
State Department of Public Safety-				
16.554	National Criminal History Improvement Program		4,492	
16.546	Title V Delinquency Prevention Program		58,880	
16.579	Byrne Formula Grant Program		168,214	128,950
16.546	Title V Juvenile Justice		99,620	
16.592	Local Law Enforcement Block Grants Program		13,239	
16.580	MOSMART Program		46,880	
16.540	Juvenile Justice and Delinquency Prevention (Weed and Seed)		<u>3,513</u>	<u>71,487</u>
	Program Total		394,838	234,794
U.S. DEPARTMENT OF TRANSPORTATION				
Passed through state Highway and Transportation				
Commission –				
20.205	Highway Planning and Construction	BRO-067(08)		<u>138,845</u>
	Program Total			138,845

Schedule

MISSISSIPPI COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

			Federal Expenditures	
Federal CFDA Number	Federal Grantor/pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Year Ended December 31, 2001	2000
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
State Department of Health –				
93.197	Childhood Lead Poisoning Prevention Projects – State and Community-Bases Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	ER0146-9167CLPP	1,058	N/A
93.268	Immunization Grants	PG0064-91671AP	16,052	N/A
93.317	Immunization Grants	N/A	10,702	N/A
93.317A	Immunization Grants	N/A	<u>1,784</u>	<u>N/A</u>
	Program Total		29,596	N/A
State Department of Social Services -				
93.558	Temporary Assistance for Needy Families	N/A	133,385	202,280
93.563	Never Married Parenting Grant	N/A	19,754	27,003
93.563	Child Support Enforcement	N/A	<u>28,448</u>	
	Program Total		181,587	229,283
State Department of Health –				
93.575	Child Care and Development Block Grant	PG0067-9167	1,990	N/A
93.575	Child Care and Inspection Block Brant		<u>548</u>	<u>N/A</u>
	Program Total		2,538	N/A
State Department of Social Services –				
93.919	Comprehensive Breast and Cervical Cancer	ER0161-90050	23,611	N/A
93.940	HIV Prevention Activities – Health Department Bases	N/A	95	N/A
93.991	Preventive Health and Health Services Block Grant	AOC9000118	27,458	N/A
93.994	Maternal and Child Health Services	ER0146-9167MCH	<u>21,397</u>	<u>N/A</u>
	Program Total		72,561	N/A
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>925,428</u>	<u>781,113</u>

N/A – Not Applicable

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

Notes to the Supplementary Schedule

MISSISSIPPI COUNTY, MISSOURI
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Mississippi County, Missouri, except for the programs accounted for in the Low Income Housing-Direct Program (CFDA 14.177) funding which is subgranted to the East Prairie Housing Authority. Federal financial assistance for the Low Income Housing-Direct Program has been audited and separately reported on by other independent auditors for the years ended September 30, 2001 and 2000.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

Federal financial assistance means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals

Federal award means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts disbursed in cash.

2. Subrecipients

Of the federal expenditures presented in the schedule, the county provided federal awards to subrecipients as follows:

<u>Federal</u> <u>CFDA Number</u>	<u>Program Title</u>	<u>Amount Provided</u> <u>Year Ended December 31,</u>	
		<u>2001</u>	<u>2000</u>
07.unknown	HIDTA – Task Force	118,171	129,198
07.unknown	HIDTA – SAUSA	33,230	48,993
16.546	Title V Juvenile Justice	99,620	0
16.540	Juvenile Justice and Delinquency Prevention (Weed and Seed)	3,513	71,487
16.710	Public Safety Partnership and Community Policing Grants	15,252	34,357
16.579	Byrne Formula Grant Program	168,214	128,950
93.558	Temporary Assistance for Needy Families	133,385	202,280
93.563	Never Married Parenting Grant	19,754	27,003

FEDERAL AWARDS –
SINGLE AUDIT SECTION

Auditor's Report

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and Certified Public Accountants
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the County Commission
and
Officeholders of Mississippi County, Missouri

Compliance

We have audited the compliance of Mississippi County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2001 and 2000. The county's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the county's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

In our opinion, Mississippi County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 2001 and 2000.

Internal Control over Compliance

The management of Mississippi County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weakness. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses.

This report is intended for the information of the management of Mississippi County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

Krauss and Head, L.L.P.
Business Consultants and
Certified Public Accountants

Original Signed by Auditor

St. Louis, MO 63011
June 5, 2002

Schedule

MISSISSIPPI COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
YEARS ENDED DECEMBER 31, 2001, AND 2000

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified ☐ yes ☒ no

Reportable conditions identified that are not considered to be material weaknesses? ☐ yes ☒ none reported

Noncompliance material to the financial statements noted? ☒ yes ☐ no

Federal Awards

Internal control over major programs:

Material weaknesses identified ☐ yes ☒ no

Reportable conditions identified that are not considered to be material weaknesses? ☐ yes ☒ none reported

Type of auditor's report issued on compliance for Major programs: Unqualified

Any audit findings disclosed that are required to be Reported in accordance with Section .510(a) of OMB Circular A-133? ☐ yes ☒ no

Identification of major programs:

CFDA or
Other Identifying

Number

Program Title

07.unknown	HIDTA-Task Force
16.540	Juvenile Justice and Delinquency Prevention (Weed and Seed)
16.579	Byrne Formula Grant Program
16.710	Public Safety Partnership and Community Policing Grants
93.558	Temporary Assistance for Needy Families

Dollar threshold used to distinguish between Type A
and Type B programs: \$300,000

Auditee qualified as a low-risk auditee? ☐ yes ☒ no

Section II – Financial Statement Findings

This section includes the audit finding that *Government Auditing Standards* requires to be reported for an audit of financial statements.

2001-1	Sales Tax
--------	-----------

In April 1996, Mississippi County voters approved a one-fourth of one percent sales tax levy for the purpose of funding senior citizens' services within the county. The sales tax became effective October 1, 1996.

The county imposed this sales tax under Section 67-547, RSMo 1994; however, the county also has another one-half of one percent sales tax levy for the general fund under this law. With this additional senior citizens' sales tax, the county is levying three-fourths of one percent which is apparently above the statutory maximum allowed by Section 67-547. The county needs to review the various sales taxes being imposed to determine which are valid. The county may need to eliminate one of these sales taxes and reallocate the sales tax monies that are being collected.

This condition was noted in prior audits. The County Commission stated they would consult with legal counsel and review the sales taxes; however, no such action has been taken.

WE RECOMMEND the County Commission review the overall sales taxes being levied and ensure they are in accordance with state statutes.

AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION

The County Clerk indicated they have consulted with their legal counsel regarding this issue, and counsel has no opinion.

Section III – Federal Award Findings and Questioned Costs

This section includes the audit findings that are required to be reported for an audit of federal awards.

There are not matters to be reported.

Follow-Up on Prior Audit Findings for an
Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards*

MISSISSIPPI COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Mississippi County, Missouri, on the applicable finding in a prior audit report issued for the two years ended December 31, 1999.

99-1. Senior Citizen's Sales Tax

The county was levying three-fourths of one percent sales tax which is apparently above the statutory maximum allowed.

Recommendation:

The County Commission review the overall sales taxes being levied and ensure they are in accordance with state statutes. See 2001-1 finding.

Status:

Not implemented.

Summary Schedule of Prior Audit Findings
in Accordance With OMB Circular A-133

MISSISSIPPI COUNTY, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500 (e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

This section represents the summary Schedule of Prior Audit Findings, which was prepared by the county's management.

99-2. Subrecipient Monitoring

The county was not monitoring subrecipients receiving \$25,000 or more for compliance with applicable laws and regulations.

Recommendation:

The County Commissioner properly monitor subrecipients expenditures and enter into written agreements to ensure compliance with federal regulations.

Status:

Implemented

99-3. Payroll Expenditures

Recommendation:

The Special Prosecutor not be paid unless the county receives a time sheet.

Status:

Implemented

99-4. Procurement of Professional Service Contracts

Recommendation:

The County Commissioner obtain information required by law when contracting for professional services.

Status:

Implemented

MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report-
Auditor's Findings

MISSISSIPPI COUNTY, MISSOURI
MANAGEMENT ADVISORY REPORT
AUDITOR'S FINDINGS

We have audited the special-purpose financial statements of various funds of Mississippi County, Missouri, as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated June 5, 2002. We also have audited the compliance of Mississippi County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2001 and 2000, and have issued our report thereon dated May 31, 2002.

Our review was made in accordance with applicable generally accepted government auditing standards and included such procedures, as we considered necessary in the circumstances. In this regard, we reviewed accounting and bank records and other pertinent documents and interviewed various personnel of the county officials.

Because the Port Authority Board of Trustees is audited and separately reported on by other independent auditors, the related fund is not presented in the special-purpose financial statements. However, we reviewed those audit reports for the years ended June 30, 2000 and 2001.

Our review was limited to the specific matters described in the preceding paragraphs. Had we performed additional procedures, other information might have come to our attention that would have been included in this report.

The accompanying Management Advisory Report presents our findings arising from our review of the elected county officials referred to above. In addition, this report includes findings other than those, if any reported in the accompanying Schedule of Findings and Questioned Costs. These findings resulted from our audits of the special-purpose financial statements of Mississippi County and of its compliance with the types of compliance requirements applicable to each of its major federal programs but do not meet the criteria for inclusion in the written report on compliance and on internal control over financial reporting or compliance that are required for audits performed in accordance with *Government Auditing Standards and OMB Circular-133, Audits of States, Local Governments, and Non-Profit Organization*

Several offices, including the Collector of Revenue, Recorder of Deeds, Prosecuting Attorney and Circuit Clerk's offices have little if no segregation of duties.

1. Collector of Revenue

The office receives cash and checks in payment of property taxes and interest and penalties on delinquencies. Checks are paid out on monthly settlements. Subsidiary records are kept on amount still owed by property owners. There are two clerks in this office as well as the County Collector. Presently anyone in this office can receive cash and post receipts. The Collector can write checks and do bank reconciliations.

WE RECOMMEND: The Collector of Revenue:

The County should separate the duties of receiving payments and posting payments to subsidiary ledgers.

AUDITEE'S RESPONSE:

The County will investigate ways of adequately separating duties in this department.

2. Recorder of Deeds

WE RECOMMEND: The Recorder of Deeds:

The Recorder of Deeds office has nine people in the office Presently all personnel are allowed to receive cash and checks, issue receipts, make deposits and do bank reconciliations. The Recorder should be the only one allowed to issue checks. Segregation of other duties should be separated.

AUDITEE'S RESPONSE:

The County will investigate ways of adequately separating duties in this department.

3. Prosecuting Attorney

The office receives cash and money orders for fees for bad check collections. Although pre-numbered receipts, making deposits, issuing checks and reconciling the bank account.

WE RECOMMEND: The Prosecuting Attorney:

Investigate ways of segregating duties.

AUDITEE'S RESPONSE:

The office consists of the Prosecuting Attorney and an assistant. Given the current personnel constraints, it may not be possible to adequately segregate duties. Currently the Prosecuting Attorney reviews the monthly bank reconciliation as a control feature.

4. Circuit Clerk

Much of the duties in the Circuit Clerk's office are performed by the same employees who are in the Recorder of Deeds office. See comments of re: Recorder's Deeds

WE RECOMMEND: The Circuit Clerk:

See 3. Recorder of Deeds

AUDITEE'S RESPONSE:

The county will investigate ways of segregating duties.

5. Software

The county currently uses a software vendor to provide a customized payroll system for the processing of payroll. This software vender is very small. Software changes are made and installed by the county without any documentation from the vendor with regard to the coding utilized in the software.

WE RECOMMEND:

The county should obtain the appropriate documentation from the vendor when installing software changes. Should the vendor go out of business or cease to exist, the county would then have the appropriate documentation to implement changes in the future. The county should consider obtaining a payroll package that is more widely distributed as a means of obtaining payroll software and better documentation of the software.

AUDITEE'S RESPONSE:

The county questions the benefits of changing the current payroll software and arrangement with the software vendor, which is used by other counties.

6. Delinquent Property Taxes

As of August 3, 2001 the county and related districts had \$549,834.02 in property tax receivables. This nearly equals one year's collections. Although delinquent real estate taxes create a lien against the property by operation of law, it can take several years for the county to collect the taxes and at times the county still may suffer a loss. There is a benefit to the county to timely collect property taxes.

WE RECOMMEND:

The county should investigate utilizing a collection agency to collect delinquent property taxes.

AUDITEE'S RESPONSE:

The county is unsure about the legality of hiring a collection agency and will take into consideration this recommendation.

7.

Pre-numbered Checks

The county utilizes blank check stock for payroll and accounts payable.

WE RECOMMEND:

The county should use only pre-numbered checks and account for spoiled checks.

AUDITEE'S RESPONSE:

The county will consider obtaining pre-numbered checks.

8.

Health Center Voucher System

The Health Center does not utilize a voucher system. Although there were instances noted that the Health Center did comply with bid requirements and some contracts were in place to verify the prices from come regularly purchased items.

WE RECOMMEND:

The Health Center department heads specifying the quantity and price per unit should issue purchase order numbers. This system will evidence the authorization of the purchase. Upon receipt of the goods ordered, one copy of the purchase order can be utilized as a receiving document.

AUDITEE'S RESPONSE:

The Health Center Director indicated a willingness to start a voucher system.

Follow-Up on Prior Audit Findings

MISSISSIPPI COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Mississippi County, Missouri, on findings in the Management Advisory Report (MAR) of the prior audit report issued for the two years ended December 31, 1999. The prior recommendations which have not been implemented, but are considered significant, have been repeated in the current MAR. Although the remaining unimplemented recommendations have not been repeated, the county should consider implementing these recommendations.

1. Budgetary Practices

- A. Warrants were issued in excess of approved budgeted expenditures.
- B. Formal budgets were not prepared for all county funds.
- C. Public hearings were not held prior to the adoption of the budget amendments. Prior to amending the budgets, the expenditures of some funds exceeded the original budgets.

Recommendation:

The County Commission:

- A. Not authorize warrants in excess of budgeted expenditures. Extenuating circumstances should be fully documented and, if necessary, the budgets properly amended following the same process by which the annual budget is approved, including holding public hearing and filing the amended budget with the State Auditor's Office.
- B. Ensure budgets are obtained or prepared for all county funds.
- C. Ensure budget amendments are made prior to incurring the actual expenditures and hold public hearings prior to adopting budget amendments as required by state law.

Status:

Partially Implemented.

2. County Expenditures

- A. The County employees failed to properly document mileage.
- B. Payments were made without acknowledging receipt of goods.
- C. Employees were allowed to use County vehicles without the County reporting commuting or personal usage income to the employee.
- D. The County did not have contracts on all agreements with various cities.

Recommendation:

The County Commission:

- A. Ensure employees properly document mileage.
- B. Require acknowledgement of goods and services prior to payment.
- C. Ensure the County complies with IRS guidelines for reporting fringe benefits related to county-owned vehicles.
- D. Enter into written contracts on all agreements.

Status:

- A., C. Implemented.
- B. Not Implemented.
- D. Partially Implemented.

3. Statutory Salaries

The County Salary Commission set salaries retroactively, rather than at the beginning of new terms.

Recommendation:

The County Commission:

Consult with legal counsel regarding past and current actions.

Status:

Implemented

4. Prosecuting Attorney's Accounting Controls and Procedures

The Prosecuting Attorney's office does not timely deposit fees.

Recommendation:

The Prosecuting Attorney:

Deposit all receipts daily or when accumulated receipts exceed \$100.

Status:

Implemented.

5. Sheriff's Accounting Controls and Procedures

A. The Sheriff's Jail Department does not properly segregate duties.

B. Receipt slip issued by the Sheriff's Jail Department are not prenumbered.

Recommendation:

The Sheriff:

A. Adequately segregate accounting duties to the extent possible or ensures periodic supervisory reviews are performed and documented.

B. Issue prenumbered receipt slips for all monies received.

Status:

A. Not Implemented.

B. Implemented.

6. Schedule of Expenditures of Federal Awards

The County and Health Center failed to properly document federal awards as required.

Recommendation:

The County Clerk and Health Center Administrator:

Prepare a complete and accurate schedule of expenditures of federal awards.

Status:

Partially implemented. The Health Center could not locate the 2000 schedule.

7. Personnel

The County paid health insurance in excess of the personnel policy and some employees did not submit monthly time sheets.

Recommendation:

Ensure employees compensation and benefits are in compliance with personnel policies and time sheets are prepared.

Status:

Implemented.